
HOUSE BILL No. 1509

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-1-13-2.

Synopsis: School corporation surplus bond proceeds. Requires a school corporation to use surplus bond proceeds for future projects if the fiscal officer of the school corporation certifies that the surplus was not anticipated when the bonds were issued.

Effective: July 1, 2003.

Frizzell

January 16, 2003, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1509

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-1-13-2 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2003]: Sec. 2. (a) Notwithstanding any other
3 law, whenever:

4 (1) bonds are issued by any political subdivision in the state of
5 Indiana for any lawful purpose or project;

6 (2) the purpose or project for which the bonds were issued has
7 been accomplished or abandoned; and

8 (3) a surplus remains from the proceeds of the bonds or
9 investment earnings derived from the proceeds of those bonds;
10 the political subdivision may use the surplus only in the manner
11 prescribed by subsection (b), ~~or~~ (c), **or (d)**.

12 (b) The legislative body of any such political subdivision may by an
13 order, ordinance, or resolution entered of record direct the disbursing
14 officer of such political subdivision to transfer the surplus bond
15 proceeds or investment earnings to the fund of the political subdivision
16 pledged to the payment of principal and interest on those bonds, and
17 upon such order, ordinance, or resolution being made, the disbursing

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1 officer shall make such transfer. Thereafter such funds transferred shall
2 be used for the payment of the bonds to which the surplus bond
3 proceeds or investment earnings are attributable or interest due for such
4 bonds.

5 (c) Surplus bond proceeds or investment earnings may be used by
6 a political subdivision **other than a school corporation** for the same
7 purpose or type of project for which the bonds were originally issued,
8 if:

9 (1) the fiscal officer of the political subdivision certifies before or
10 at the time of that use that the surplus was not anticipated at the
11 time of issuance of the bonds; and

12 (2) the board or legislative body responsible for issuing the bonds
13 takes action approving the use of surplus bond proceeds or
14 investment earnings for the same purpose or type of project for
15 which the bonds were originally issued.

16 **(d) A school corporation shall use surplus bond proceeds or**
17 **investment earnings for a future purpose or project if the fiscal**
18 **officer of the school corporation certifies, before or at the time of**
19 **the use, that the surplus was not anticipated at the time of issuance**
20 **of the bonds.**

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